U.S. Patent Application Serial No. **09/939,716** Amendment filed October 14, 2008 Reply to OA dated July 24, 2008

AMENDMENTS TO THE SPECIFICATION:

Amend the specification as follows:

Replace the paragraph beginning on page 22 line 1 with the following rewritten paragraph:

Preferably, the loss in a travelling wave type electrode at $f_0/2$ is always larger smaller than the loss at frequency higher than $f_0/2$, and modulation efficiency of said Mach Zehnder light intensity modulator at $f_0/2$ is larger than that at frequency higher than $f_0/2$, where f_0 is clock frequency of an electrical binary signal.

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